GOVERNMENT OF INDIA
HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
LOK SABHA

STARRED QUESTION NO:288
ANSWERED ON:22.03.2002
LOSS MAKING PSUS
ANANTA NAYAK;THAAWAR CHAND GEHLOT

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) the loss making public sector undertakings financed by public sector financial institutions during each of the last three years;

(b) the details of outstanding loans as on date, public sector undertaking-wise;

(c) the efforts made by public sector undertakings to settle the loans;

(d) the details of public sector undertakings closed down during the above period along with the details of public sector undertakings revived out of them so far; and

(e) the long-term measures taken/proposed to be taken by the Government to wipe out losses in public sector undertakings?

Answer

MINISTER FOR HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI MANOHAR JOSHI)

(a) to (e): A statement is laid on the Table of the House.

STATEMENT IN REPLY TO LOK SABHA STARRED QUESTION NO. 288 FOR REPLY ON 22.3.2002 ON LOSS MAKING PS S/SHRI THAWAR CHAND GEHLOT AND ANANTA NAYAK.

(a) & (b) : Information with respect to loans taken by Central Public Sector Undertakings (CPSUs) in a year is not maintained centrally. However, 97 out of 111 loss making CPSUs (Statement 7B of Public Enterprises Survey 2000-01) had outstanding loans from Financial Institutions/Banks as on 31.3.2001 as per Statements 18A and 18B of Volume - I of the Public Enterprises Survey 2000-01 which was laid in the Parliament on 7.3.2002 and is a published document.

(c) : Enterprises have been trying to improve their efficiency and cost effectiveness through investment in modernisation, improvement in shop floor practices, right-sizing manpower and negotiating one time settlements. Repayment of loans has taken place in some cases where revival plans have been sanctioned either by BIFR or by the Government at their own initiative.

(d) : During last three years establishments of following PSUs have been closed :

1. Bharat Gold Mines Ltd. (BGML),

2. Tannery & Footwear Corporation of India Ltd. (TAFCO),

3. Mandya National Paper Mills Ltd. (MNPM),

4. Bharat Process and Mechanical Engineers Ltd. (BPMEL),

5. Weighbird (India) Ltd. (WIL),
6. Rehabilitation Industries Corporation (RIC),

7 National Bicycle Corp. of India Ltd. (NBCIL),

8. Mining & Allied Machinery Corporation Ltd. (MAMC),

9. Cycle Corporation of India Ltd. (CCIL)
10. Indian Road Construction Corporation (IRCC)
11. ET&T

Bharat Leather Corporation (BLC), Bharat Brakes & Valves Ltd. (BBVL) and Reyroll Burn Ltd.(RBL) are effectively closed since a employees have taken VRS.

Of the 111 loss making CPSUs as on 31.3.2001, 58 are registered with BIFR. BIFR have sanctioned revival scheme for 8 CPSU and 2 CPSUs have been declared as no-longer sick. During the period, the Govt. have also approved restructuring / revival of 9 other Non-BIFR PSUs. List of these PSUs is annexed.

(e) : The performance improvement of CPSUs is a continuous process. Enterprises specific measures are taken by the Government as well as the management of CPSUs to wipe out the losses and include inter-alia right-sizing, providing loans for capital investment, helping in procurement of orders through purchase preference policy or otherwise, getting rehabilitation packages sanctioned through BIFR or by the Government suo moto, joint venture formation in non-strategic PSUs.

ANNEXURE TO STATEMENT IN REPLY TO LOK SABHA STARRED QUESTION NO. 288 FOR REPLY ON 22.3.2002 ON I MAKING PSUs BY S/SHRI THAWAR CHAND GEHLOT AND ANANTA NAYAK.

(A) BIFR cases where revival has been sanctioned.

1. Bengal Chemicals & Pharmaceuticals Limited,

2. Bengal Immunity Limited,

3. Bharat Brakes & Valves Limited

4. Bharat Refractories Limited,

5. Heavy Engineering Corporation Limited,
6. Instrumentation Limited,

7 National Instruments Limited

8. Richardson & Cruddas (1972) Limited

(B) BIFR cases declared no longer sick

1. Biecco Lawrie Limited

2. North Eastern Regional Agricultural Marketing Corporation

(C) Non-BIFR cases where administrative ministries / Govt. have approved revival

1. Andrew Yule Co. Ltd.

2. Hindustan Cables Ltd.

3. HMT Ltd.

4. Fertilizer and Chemical Travancore Ltd.

5. Hindustan Copper Ltd.
6. Central Inland Water Transport Corp. Ltd.

7 Hindustan Steel Works Construction Ltd.

8. Rashtriya Ispat Nigam Ltd.

9. Steel Authority of India Ltd.